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Sheldon B. Herskovitz
4 Brentwood Road
Stoneham, MA 02180
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8 July 2003

Chairman
Board of Selectmen
Town of Acton
Acton, Ma 01720

Dear Sir:

I have served as Acton's representative on the Lowell Regional Transit Authority (LRTA) Advisory Board for several years. I would be most pleased to continue to serve in this capacity. As you are aware, the LRTA representative serves at the will and pleasure of the Town's Board of Selectmen. If the Board wishes to reappoint me, such a designation should be made to Mr. Robert Kennedy, the LRTA Administrator. A sample appointment letter, to be submitted by the end of July 2003, if possible, is enclosed.

If I can be of further assistance, please do not hesitate to contact me at the above address or by telephone at (781) -438-3759 evenings.

Sincerely,



Sheldon B. Herskovitz



**Lowell Regional
Transit Authority**

Gallagher Intermodal Transportation Center

145 Thorndike Street • Lowell, MA 01852
978-459-0164 • Fax: 978-458-9673

SAMPLE APPOINTMENT LETTER

Date _____

Robert B. Kennedy, Administrator
Lowell Regional Transit Authority
145 Thorndike Street
Lowell, MA 01852

Dear Mr. Kennedy:

Please be advised that as Chairman of the Board of Selectman, I have appointed (re-appointed) (name _____) to the Lowell Regional Transit Authority Advisory Board to serve as my Representative from the Town of _____. This designation is effective until I am succeeded as Chairman of the Board of Selectmen or until I choose to appoint another.

Sincerely,

_____, Chairman
Board of Selectmen

LOWELL REGIONAL TRANSIT AUTHORITY
ADVISORY BOARD MINUTES
May 22, 2003

The meeting was called to order by Chairman Good at 7:00 p.m. at the Lowell Regional Transit Authority Board Room, 100 Hale Street, Lowell, MA.

Roll call by the Chairman. **Mr. Donald Herskovitz of Acton, Mr. Arthur Doyle of Billerica, Mr. James Good of Chelmsford, Mr. David Tully of Dunstable, Mr. Paul Routhier of Groton, Mr. John Cox of Lowell and Mr. Joseph Czarnionka of Pepperell were present.**

The Chairman asked for a motion to accept the Minutes of the meeting held on April 24, 2003. **Motion by Mr. Doyle; seconded by Mr. Czarnionka. All those in favor/Aye. Opposed/None. Motion carries.**

The Chairman then asked the Board to go out of order on the Agenda and have Beverly Woods of NMCOG speak about the proposed revisions to the FY2003 TIP program.

(Beverly Woods)

Ms. Woods said that there was an amendment needed for the 2003 TIP program. She said some transitioning needed to be done to accommodate some ear-marked funding that the LRTA is receiving, and they were proposing the addition of \$1.2 million for the new bus hub. She said there would also be an additional \$50,000 to purchase new software for paratransit.

Ms. Woods said that we were very fortunate to get additional highway funding that was not anticipated, resulting in an additional \$1.4 million coming into our region.

Ms. Woods said that approval of the LRTA for these amendments is needed since the LRTA is part of the MPO.

Motion to approve the amendment changes to the 2003 TIP program by Mr. Tully; seconded by Mr. Doyle. All those in favor/Aye. Opposed/None. Motion carries.

The Chairman then recognized the Administrator for his report.

MR. CHAIRMAN: The Administrator asked the Board's permission to read the Budget Message into the record.

(BUDGET MESSAGE)

I am pleased to submit our Budget Proposal for FY2004. Approval of the Budget allows the Administrative staff to file any and all grant applications, appropriate short and long term borrowing and provides the fiscal foundation for the operating and capital initiatives detailed herein.

Before I elaborate further on our FY2004 budget proposal, I would like to present the highlights of our major accomplishments for FY2003.

FY2003 was an exciting and productive year which yielded the following notable achievements.

- The completion of the Raymond F. Rourke parking expansion for an additional 450 parking spaces at our Gallagher Intermodal Transportation Center. The construction of this facility was on time and on budget.
- The award of federal capital funding for the design and construction of our new bus transfer center which will also be located at the Gallagher Intermodal Transportation Center and the procurement of six new downtown shuttle buses.
- The LRTA evaluated six (6) highly competitive proposals for the design of the new bus transfer center. An award was made to the nationally recognized firm of Gannett Fleming, Inc.
- The completion by Multisystems, Inc. of a comprehensive independent study of all LRTA transit operations. This study has yielded a number of important recommendations for our current and long term consideration.

Fiscal Year 2004 Proposed Budget

The proposed FY2004 budget marks my 10th budget submission to the LRTA Advisory Board and, in many ways, the most difficult of all.

Although we have proposed a balanced budget without major service cuts to our core routes, there are several important factors and uncertainties that must be considered for their potential future impact on this budget.

- **State Contract Assistance Cap**

The Commonwealth has capped contract assistance for FY2004 and FY2005 at the '01 level.

- **Federal Tea-21 Re-authorization**

It appears the LRTA, under new federal legislation, will become part of the Boston Urbanized Area. It is uncertain, at this time, whether this will have a positive or negative impact on the LRTA's future funding levels.

- **Proposed Revision of Chapter 161B**

Under Section 11 of Chapter 161B, the LRTA has the full faith and credit of the Commonwealth, as a guarantor, for its Revenue Anticipation Notes. As such, this has had the effect of yielding very low interest rates for these significant borrowings. The proposed elimination of Section 11 would result in markedly higher borrowing rates and interest expense.

- **Insurance Premiums**

Last year's insurance premiums unexpectedly rose over \$350,000. This year, the LRTA has aggressively sought bid proposals from a large number of insurance underwriters in an attempt to secure the most favorable premium rates.

One major unknown, at this time, is the outcome of proposed legislation to limit tort liability claims. This \$100,000 limit would have a major impact on lowering our total insurance premium.

- **Ridership and Revenues**

Last year saw an important decrease in fixed route, paratransit and commuter rail ridership across the board.

This decrease of over 10% was due to the economic downturn in the Commonwealth. As we attempt to measure this year's ridership and revenues, it is not clear whether this downturn will continue.

Our 2004 Proposed Budget has attempted to maintain the highest level of transit service throughout our region while recognizing the uncertainties as outlined above.

Despite the difficulties ahead in FY2004 and beyond, I am confident that the LRTA will not only meet these challenges but will continue to thrive as a productive force in our region's economic rebound. A key reason for this confidence is embodied within the talent and commitment of the LRTA's outstanding team of professionals. From our passengers and bus drivers to our staff and Advisory Board Members, all of whom are deserving of the highest praise for the strengths they bring to the LRTA.

Before closing, I wish to thank the LRTA staff, as well as LoLaw and Omni Management, and the Councils on Aging for the outstanding level of service they continue to provide. I would also like to thank our marketing and advertising partners, legal counsel and our other contracted consultants who have been instrumental in helping the LRTA shape its future.

Special recognition must go to the Federal Transit Administration, the Executive Office of Transportation and Construction and our Local, State and Federal delegations for their encouragement and support.

Finally, I wish to extend my deepest gratitude to the LRTA Advisory Board for their strong commitment to the goals and objectives of the Transit Authority, and for their continued support of me.

I confidently look forward to the future with enthusiasm and a commitment to continue the momentum of our last ten years.

The Chairman asked if there were any questions.

(Mr. Routhier asked the Administrator the status of the insurance issue that was in the House.)

The Administrator said that the tort liability issue was included in the House side but not in the Senate Side. Mr. Kennedy said that Senator Panagiotakos was submitting an amendment to include the tort liability in the Senate side.

(Mr. Routhier asked the Administrator if we had many calls from the insurance companies.)

The Administrator said there has been a lot of interest and in two weeks we'll know what the bids look like from the underwriters.

Reports of Subcommittees:

The Chairman told the members that the Budget subcommittee, consisting of himself, Don Lampron, Paul Routhier, Dave Tully and Arthur Doyle, met to discuss alternatives for cutting the budget. The Chairman then asked Arthur Doyle to give a report.

(Arthur Doyle)

Mr. Doyle said the Budget Subcommittee met on April 29th and May 7th to discuss all options possible to save \$237,000 in the Budget. Mr. Doyle said others in attendance at these meetings were the Administrator Robert Kennedy, David Bradley, Frank Trombly, Arthur Sullivan, Chris Curry and Steve Falbel.

Mr. Doyle said that after much discussion the subcommittee decided to present to the Advisory Board a recommendation to eliminate the early morning bus routes which would save the Authority approximately \$105,000. Mr. Doyle continued to say that if additional money was needed later, the subcommittee would also like to make a recommendation to eliminate the IRS/133 bus route, which has very low ridership. Mr. Doyle said this would save approximately \$140,000, for a total of \$245,000.

Mr. Doyle said that it was not an easy decision but the subcommittee is asking the Board to go along with these recommendations. It was also mentioned that there would be no layoffs due to these changes.

The Chairman thanked Mr. Doyle and the subcommittee.

Motion by Mr. Doyle to accept the recommendation of the Budget Subcommittee to eliminate the early morning bus trips. Seconded by Mr. Tully. All those in favor/Aye. Opposed/None. Motion carries.

Motion by Mr. Doyle to accept the recommendation of the Budget Subcommittee to eliminate the IRS/133 bus route if the additional money is needed. Seconded by Mr. Routhier. All those in favor/Aye. Opposed/None. Motion carries.

New Business:

The Chairman asked for a motion to adopt the FY2004 Budget. **Motion by Mr. Cox; seconded by Mr. Herskovitz. The Chairman asked for a roll call. Acton, Aye; Billerica, Aye; Chelmsford, Aye; Dracut, absent; Dunstable, Aye; Groton, Aye; Lowell, Aye; Pepperell, Aye; Tewksbury, absent; Townsend, absent; Tyngsborough, absent; and Westford, absent. Motion carries.**

The Chairman then entertained a motion to have the Administrator's Report placed on file. **Motion by Mr. Doyle; seconded by Mr. Routhier. All those in favor/Aye. Opposed/None. Motion carries.**

Finance Director's Monthly Status Report

The Chairman asked if everyone had a chance to look at the Finance Director's Monthly Report. The Chairman entertained a motion that the Finance Director's Report be accepted and placed on file. **Motion by Mr. Tully; seconded by Mr. Herskovitz. All those in favor/Aye. Opposed/None. Motion carries.**

Facility Director's Report

The Chairman asked if everyone had a chance to look at the Facility Director's Report. The Chairman entertained a motion that the Facility Director's Report be accepted and placed on file. **Motion by Mr. Doyle; seconded by Mr. Cox. All those in favor/Aye. Opposed/None. Motion carries.**

Communications:

The Chairman asked if everyone had a chance to look over the communications and asked if there were any questions.

Motion to file communications by Mr. Czarnionka; seconded by Mr. Herskovitz. All those in favor/Aye. Opposed/None. Motion carries.

Warrant:

The Chairman asked for a motion to accept the Warrant in the amount of \$562,989.00. Motion by Mr. Doyle; seconded by Mr. Czarnionka. All in favor/Aye. Opposed/None. Motion carries.

Adjournment:

The Chairman asked for a motion to adjourn. **Motion by Mr. Tully; seconded by Mr. Doyle. All in favor/Aye. Opposed/None. Motion carries.**

Meeting adjourned.

I, Arthur Sullivan, Acting Clerk of the Lowell Regional Transit Authority, do hereby certify that the foregoing Minutes are a true and accurate record of the meeting of the Lowell Regional Transit Authority Advisory Board held on May 22, 2003.

Arthur Sullivan, Esq.

Date